Docket No. 14940
Office of Public Utility Counsel
First Request
Information Request No. 1-11
02/20/96

1-11.

In general, please discuss SWBTs responsibility to construct and engineer its network to accommodate calls placed by its own customers. in this answer, also discuss: a) SWBTs engineering practices to assure minimal call blockage on its network; b) based on SWBTs engineering practices, what percentage of local calls are potentially blocked on SWBTs network; c) based on SWBTs engineering practices, what percentage of switched access calls are potentially blocked on SWBTs network; d) based on SWBTs engineering practices, what percentage of toll (intraLATA) calls are potentially blocked on SWBTs network.

Answer: SWBT must meet the requirements of the Texas PUC and the expectations of its customers to accommodate calls placed by its customers. To ensure minimal call blockage within its network, SWBT estimates the traffic load to be offered to each portion of the network, equipment is provided based upon this estimate and actual traffic measurements are made after

the equipment is installed. The traffic measurements are then used to estimate future traffic loads and the cycle is repeated. Blockage may occur at many different points in the network. As more components or legs of transmission facilities that are involved in a call, the probability of blocking increases. For instance, a call from a customer served by a central office switch to another customer served by the same switch has less probability of being blocked than one that must be switched by several switches.

For calls within a single switch, there are three primary places that blocking can occur. The first is the access to the local loop. If there is no line concentration being used in the local loop, the probability of blocking in this segment is zero. Then the local loop is connected to the central office switch, there is some possibility of call delay in obtaining dial tone. This is not blocking, but rather delay. Within the switch, there are limited numbers of various components that are required to complete the call through the switch. A shortage of these components can cause blocking of the calls. SWBT collects data on the usage of

these components and uses that data to order and equip sufficient equipment to minimize call blockage within the switch. Finally, the call may be blocked if the local loop to the called party is in use. This blockage could be caused by line concentration in the loop or by the line being in use. SWBT does not normally employ line concentration in the loop, however, the company has no control over the customers use of the line that may cause blockage of the call.

When a call must be switched from one switching machine to another, as in a local call within a major city or a toll call, the call is transported on a trunk group between the switches. Blockage can occur if there are insufficient trunks in the group. Trunking service objectives are expressed in terms of the percent of calls blocked on final and only-route groups in the average time consistent busy hour of the busy season. SWBT engineering practices provide for a B0.01 (Neal-Wilkinson Table) objective on direct end office to end office trunking groups, and a B0.0025 objective for Common Transport Trunk Groups. Therefore, a local interoffice call that is transported over a direct trunk

group will have a 1% probability of being blocked in the busy hour of the busy season. If that same call is trunked through other switches, the probability of blocking will increase dependent upon the number of trunk legs in the call.

Toll calls, both access and intraLATA are designed to encounter no more than a 4% probability of blocking during the busy hour of the busy season.

Responsible Person: William Deere
Regional Manager-Planning and Engineering
Southwestern Bell Telephone Company
One Bell Plaza, Room 2312
Dallas, TX 75202

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Office of Public Utility Counsel
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Information Request No. 1-12
02/20/96

1-12.

Please explain how SWBT is currently compensated for providing sufficient capacity in its network to generally prevent blocking of local calls.

Answer: SWBT is compensated for this capability by the contribution to joint and common costs derived from the various rates approved by the Texas Public Utility Commission for SWBT services.

Responsible Person: Jacquelyne M. Flemming
Area Manager-Rate Administration
Southwestern Bell Telephone Company
1616 Guadalupe, Room 310
Austin, TX 78701

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First Request
Information Request No. 1-13
02/20/96

1-13.

Has SWBT performed a cost-benefit analysis for call blocking under RCF which considers possible lost revenues from forwarded long distance calls? Unless the answer is an unqualified no, please provide all studies results, supporting work papers and documents and any other analysis that were used.

Answer: No.

Responsible Person: Kevin Chapman
Area Manager-Tariffs and Regulatory
Southwestern Bell Telephone Company
One Bell Center, 37-S-07
St. Louis, Missouri 63101

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First Request
Information Request No. 1-14
02/20/96

1-14.

For each switched access rate element, please explain who should receive the revenues for such elements when a long distance call is terminated to ported number.

Answer: SWBT should receive transport and switching revenues and RIC revenues from an interexchange carrier when completing interstate IXC calls to an LSP ported number. Whoever provides the local loop should receive the CCL revenue.

Responsible Person: Kevin Chapman
Area Manager-Tariffs and Regulatory
Southwestern Bell Telephone Company
One Bell Center, 37-S-07
St. Louis, Missouri 63101

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First Request
Information Request No. 1-15
02/20/96

1-15.

Does SWBT intent to retain all the switched access revenues associated with the CCL rate element? Please explain.

Answer: If SWBT common line is not utilized in provision of the call, then SWBT does not intend to return any CCL revenues.

Responsible Person: Kevin Chapman
Area Manager-Tariffs and Regulatory
Southwestern Bell Telephone Company
One Bell Center, 37-H-07
St. Louis, Missouri 63101

1-16.

Does SWBT intent to retain all the switched access revenues associated with the local switching (LS) rate element? Please explain.

Answer: To the extent that SWBT provides the local switching function, SWBT will retain the corresponding local switching revenue.

Responsible Person: Kevin Chapman
Area Manager-Tariffs and Regulatory
Southwestern Bell Telephone Company
One Bell Center, 37-S-07
St. Louis, Missouri 63101

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First Request
Information Request No. 1-17
02/20/96

1-17.

Does SWBT intent to retain all the switched access revenues associated with the RIC rate element? Please explain.

Answer: SWBT plans to retain all interstate RIC revenues associated with calls to ported numbers. This charge is based on SWBT's interstate revenues and costs and is not related to any intrastate calls.

Responsible Person: Kevin Chapman
Area Manager-Tariffs and Regulatory
Southwestern Bell Telephone Company
One Bell Center, 37-S-07
St. Louis, Missouri 63101

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First Request
Information Request No. 1-18
02/20/96

1-18.

Please identify all functionalities that SWBT will provide when it terminates a long distance call to a ported number.

Answer: It is unclear what is meant by "functionalities". Assuming the question is relating to how a long distance call is forwarded, the call is terminated to the SWBT ported number as if the call were being placed to a SWBT customer and would terminate at the SWBT ported telephone number. At this point, dependent upon technology used to port the number, the SWBT serving central office where the telephone number resides will forward the call as if it were a local call.

If the call is forwarded via INP-Remote, the call will be forwarded to the LSP assigned telephone number via the LSP existing interconnection facility. If the call is forwarded via INP-Direct, the call, along with the dialed telephone number, will be forwarded to the LSP's switch via the INP-Direct channel termination.

Responsible Person: Jacquelyne M. Flemming
Area Manager-Rate Administration
Southwestern Bell Telephone Company
1616 Guadalupe, Room 310
Austin, TX 78701

Docket No. 14940
Office of Public Utility Counsel
First Request
Information Request No. 1-19.(a)
02/20/96

1-19.(a).

With respect to the Interim Number Portability Remote usage costs per ported number:

(a) the average number of calls per month;

Answer: Information responsive to this request is in part "Highly Sensitive Confidential Information" subject to the Protective Order in this proceeding. The information will be available for review in Room 310, 1616 Guadaplupe, Austin, Texas after execution of the proper Protective Agreement. The material will be available between the hours of 8:00 AM and 12:00 NOON and 1:00 PM and 5:00 PM, Monday through Friday on normal business days. The information can be found in a binder labeled:

Texas

1996 - 1998

Interim Number Portability-Remote

(Remote Call Forwarding)

The binder labeled Texas 1996-1998 Interim Number Portability-Remote (Remote Call Forwarding) contains cost study results as well as the back-up calculations and inputs supporting the cost results.

The cost results are considered to be Highly Sensitive Confidential because they identify the price floor incurred by Southwestern Bell Telephone Company to provide each of its services. Disclosure of such information would provide competitors an unfair advantage.

Cost factors, labor costs and all supporting documentation are designated Highly Sensitive Confidential because they are based on confidential or private financial, personnel, and business information. Disclosure of such information would provide competitors an unfair advantage.

Southwestern Bell would submit that the information

responsive to this request is exempt from disclosure under the Open Records Act pursuant to Sections 552.101, 552.110, and 552.104. The applicable exemptions include trade secrets or commercial or financial information of Southwestern Bell and, if disclosed, could place Southwestern Bell at a competitive disadvantage.

Counsel for SWBT has reviewed the information sufficiently to state in good faith that this highly sensitive information is exempt from public disclosure under the Public Information Act and merits the Highly Sensitive Confidential Information designation.

Responsible Person: Barbara A. Smith
Area Manager-Product Cost Development,
Analysis and Regulatory
Southwestern Bell Telephone Company
One Bell Center, 37-Y-01
St. Louis, Missouri 63101

Docket No. 14940
Office of Public Utility Counsel
First Request
Information Request No. 1-19.(b)
02/20/96

1-19.(b).

With respect to the Interim Number Portability Remote usage costs per ported number:

(b) the intraswitch cost per call;

Answer: The intraswitch cost per call was not developed. The cost per minute of use is available in the Calculations tab of the binder responsive to Information Request No. 1-19.(a). See that response.

Responsible Person: Barbara A. Smith
Area Manager-Product Cost Development,
Analysis and Regulatory
Southwestern Bell Telephone Company
One Bell Center, 37-Y-01
St. Louis, Missouri 63101

Docket No. 14940
Office of Public Utility Counsel
First Request
Information Request No. 1-19.(c)
02/20/96

1-19.(c).

With respect to the Interim Number Portability Remote usage costs per ported number:

(c) the interswitch cost per call;

Answer: The interswitch cost per call was not developed. The cost per minute of use is available in the Calculations tab of the binder responsive to Information Request No. 1-19.(a). See that response.

Responsible Person: Barbara A. Smith
Area Manager-Product Cost Development,
Analysis and Regulatory
Southwestern Bell Telephone Company
One Bell Center, 37-Y-01
St. Louis, Missouri 63101

Docket No. 14940
Office of Public Utility Counsel
First Request
Information Request No. 1-19.(d)
02/20/96

1-19.(d).

With respect to the Interim Number Portability Remote usage costs per ported number:

(d) the relative percentage of intra switch versus interswitch calls.

Answer: The relative percentage of intraswitch versus interswitch calls was not developed. The cost per minute of use is available in the Calculations tab of the binder responsive to Information Request No. 1-19.(a). See that response.

Responsible Person: Barbara A. Smith
Area Manager-Product Cost Development,
Analysis and Regulatory
Southwestern Bell Telephone Company
One Bell Center, 37-Y-01
St. Louis, Missouri 63101

Docket No. 14940
Office of Public Utility Counsel
First Request
Information Request No. 1-20
02/20/96

1-20.

What switch access revenues does SWBT estimate that it will earn per number ported by means of the interim number portability arrangements?

Answer: SWBT does not have information available to provide meaningful estimates of the switched access revenue associated with calls utilizing interim number portability arrangements.

Responsible Person: Kevin Chapman
Area Manager-Tariffs and Regulatory
Southwestern Bell Telephone Company
One Bell Center, 37-S-07
St. Louis, Missouri 63101

Docket No. 14940
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First Request
Information Request No. 1-21
02/20/96

1-21.

Please explain fully how the LRIC studies for Interim Number Portability Remote account for the fact that RCF is already offered to end-users and that certain costs are already being recovered.

Answer: The LRIC study for Interim Number Portability-Remote identifies the incremental switching and usage costs of providing RCF to LSPs on a per line basis and, therefore, does not include any costs for RCF service provided to end-users.

Responsible Person: Barbara A. Smith
Area Manager-Product Cost Development,
Analysis and Regulatory
Southwestern Bell Telephone Company
One Bell Center, 37-Y-01
St. Louis, Missouri 63101

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First Request
Information Request No. 1-22
02/20/96

1-22.

Please explain in detail what software costs SWBT incurs in providing RCF to end users. Are costs incurred on a per switch basis, or on a per customer served basis? Please explain.

Answer: RCF is included in a software package which provides capabilities for numerous switch features. The cost of this software is considered to be shared among all of the features; therefore, no specific costs are assigned to RCF. This total package software cost is incurred on a per switch basis.

Responsible Person: Barbara A. Smith
Area Manager-Product Cost Development,
Analysis and Regulatory
Southwestern Bell Telephone Company
One Bell Center, 37-Y-01
St. Louis, Missouri 63101

Docket No. 14940
Office of Public Utility Counsel
First Request
Information Request No. 1-23
02/20/96

1-23.

Please provide the LRIC study for providing RCF to end-users.

Answer: The requested information can be found in the Attachment.

Responsible Person: Barbara A. Smith
Area Manager-Product Cost Development,
Analysis and Regulatory
Southwestern Bell Telephone Company
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Carol Albenesius
Area Manager-Product Cost
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Docket No. 14940
Office of Public Utility Counsel
First Request
Information Request No. 1-23
Attachment
6 Total Pages
02/20/96

PREFERRED NUMBER SERVICE -- IUC
TEXAS 1994-1997
OVERVIEW 3/94

The purpose of this study was to identify the costs of remote call forwarding and unique ringing capabilities associated with Preferred Number Service (PNS). Usage costs are being identified in a separate cost study

PNS is a residential service that is very similar to the TeleBranch business offering. With PNS, incoming calls to the PNS number are automatically forwarded to a residence local exchange telephone number designated by the subscriber. A unique ringing signal is available as an option with PNS. Unique ringing will allow PNS subscribers to distinguish if the incoming call was placed by dialing the subscriber's PNS number or the subscriber's local exchange telephone number.

The results developed in this study should be utilized in pricing decisions and used as cost support for introducing this service in the General Exchange Tariff. Both recurring and nonrecurring costs have been identified.

PREFERRED NUMBER SERVICE - IUC
TEXAS 1994-1997
METHODOLOGY

Recurring Costs

The recurring monthly costs were developed by first determining the Engineered, Furnished and Installed (E,F&I) investment using the Bellcore SCIS investment model. Inputs to the investment model were based on usage characteristics of residence customers and assumptions provided by the product manager.

Total investment was then identified by adding sales tax, engineering, plant labor, power, building and miscellaneous costs to the E,F&I.

Capital costs associated with the investment were developed by applying prescribed factors for Cost of Money, Depreciation and Income tax to the equipment and building investments.

Operating expenses were developed by also applying prescribed factors for maintenance, administration, ad valorem taxes and commission assessment fees to the equipment and building investments.

This feature will be deployed in 5ESS, DMS100, AXE-10 and DMS10 switches. Investments for these forward looking technologies were identified, then weighted together based on the number of offices in each technology to provide a weighted E,F,&I.

Nonrecurring Costs

A non-volume sensitive, nonrecurring cost was identified to account for the Product Team members' activities that are required to develop this service. Time estimates for these activities were provided by the Product Team members and applied to the appropriate labor rates to determine the cost.

A volume sensitive, nonrecurring Service Connection Charge already exists to account for efforts such as the Business Office and Network line translations associated with service provisioning, so no new cost was identified.